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C O N F I D E N T I A L SECTION 01 OF 02 BAGHDAD 002887

SIPDIS

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TAGS: [PGOV](#) [KCOR](#) [KDEM](#) [IZ](#)

SUBJECT: ANTI-CORRUPTION CONSULTATIONS WITH SENIOR GOI
OFFICIAL

REF: A. BAGHDAD 2576 AND PREVIOUS

[B](#). BAGHDAD 1495

[C](#). BAGHDAD 913 (NOTAL)

[D](#). STATE 30009 (NOTAL)

Classified By: ACCO Joseph Stafford, reason 1.4 (b and d)

SUMMARY

[1](#). (C) Council of Ministers Secretary General Ali Alaq, the Prime Minister's point-man on the anti-corruption dossier, told us the GOI was considering delaying the release of its new anti-corruption strategy, previously planned for early November, until after the January 2010 elections. He stated that the GOI was giving heightened priority -- as reflected in the recent establishment of an interagency committee -- to recovery of funds shipped abroad by corrupt officials and to extradition of those officials fleeing overseas. The GOI, which has requested membership in the UNODC/World Bank-sponsored Stolen Asset Recovery Initiative, has a long way to go in developing the capacity to track down the precise locations of stolen assets and recover them and to prepare extradition requests that meet international standards. Alaq expressed satisfaction with the current performance of UNDP under its ACCO-supported anti-corruption program, following our April demarche to him registering concern over UNDP's slow pace of implementation. END
SUMMARY.

POSSIBLE DELAY IN ISSUANCE OF ANTI-CORRUPTION STRATEGY

[2](#). (C) Anti-Corruption Coordinator and staff (ACCO) met October 25 with Council of Ministers Secretary General Ali Alaq, Prime Minister Nouri Al-Maliki's point-man on the anti-corruption dossier as head of the GOI's Joint Anti-Corruption Council. Asked about the GOI's plans to unveil its new anti-corruption strategy (ref a), Alaq confided that the GOI was considering delaying the strategy's formal release until after the January 2010 parliamentary elections. He explained that the GOI was concerned that unveiling the strategy prior to the elections risked its becoming a political football by rival candidates and parties amidst their electioneering efforts. Alaq stated that the GOI might end up going with its previous plan to release the strategy in November, but added that if it did so, the unveiling would occur without fanfare so as to minimize prospects of its being seized upon for partisan purposes in the election campaigns. He went on to stress that the GOI recognized the need to begin implementation of the strategy as expeditiously as possible and would not wait until after the elections to begin the process even if the document were not formally issued until after the polling.

[3](#). (C) COMMENT: The possible delay in the strategy's release until after next year's elections comes as something of a surprise. Sources had previously indicated that Prime Minister Maliki would personally preside over a major conference in November to release the strategy so as to

burnish his anti-corruption credentials in the run-up to elections. Nonetheless, Alaq gave the impression that the GOI was leaning toward delaying the unveiling rather than doing so now in low-key fashion. Meanwhile, UNDP officials implementing the ACCO-funded project to assist the Iraqis in developing the strategy tell us they have arranged with Iraqi anti-corruption officials to proceed straightaway with the project's next phase -- training sessions on nuts-and-bolts implementation of the strategy -- regardless of when it is formally unveiled. However, the strategy's release after the 2010 elections does raise the prospect, despite Alaq's assurances, that implementation will be delayed or disrupted amidst maneuvering to form a new government. END COMMENT
Qamidst maneuvering to form a new government. END COMMENT

FOCUS ON EXTRADITION, RECOVERY OF FUNDS -----

14. (SBU) Alaq stated that the GOI was giving heightened priority to recovery of funds shipped abroad by corrupt officials and extradition of those who had managed to flee to other countries with their ill-gotten gains. He stated that the GOI had recently established an interagency committee, composed of officials from, inter alia, the Commission on Integrity, Ministries of Finance and Justice, and the Central Bank, to direct the GOI's effort on this dossier. Asked about the committee's activities to date, Alaq indicated that it was currently focused on developing its action plan. ACCO noted that the GOI had taken an important initiative in this area by requesting membership in the UNODC/World Bank-sponsored Stolen Asset Recovery (StAR) Initiative (ref b), designed to strengthen developing countries' ability to recover public assets lost through criminal activities --

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corruption, tax evasion, etc. -- and transferred overseas. We also shared with Alaq our understanding that an UNODC/World Bank delegation would visit Iraq soon for further consultations, following a May visit, on arranging the GOI's membership in the StAR Initiative and possibly providing capacity-building assistance. ACCO also noted USG assistance in a key area related to the StAR Initiative, combating money-laundering. As for possible new cooperation efforts, we noted the September visit to Iraq by a USG Financial Systems Assessment Team (FSAT) designed, inter alia, to assess the GOI's needs. We undertook to advise Alaq of the FSAT's findings as soon as we received its report.

15. (SBU) COMMENT: This is the first we have heard of the interagency committee mentioned by Alaq; we intend to meet soon with its members to get a sense of its specific mandate and activities and will report further. Sources agree that the GOI has a long way to go in developing the capability to effectively track down the precise locations of stolen GOI assets and pursue their recovery. The Iraqis are likely to need considerable foreign donor assistance to achieve the level of capacity envisioned under the StAR Initiative. They will also need assistance in acquiring the capacity to submit extradition requests that meet international standards. ACCO is consulting with other mission elements -- and will also do so with foreign donors -- on possible capacity-building initiatives. END COMMENT.

ASSESSMENT OF UNDP'S PERFORMANCE -----

16. (SBU) We asked Alaq for his latest assessment of the performance by the UNDP in implementing the ACCO-supported anti-corruption project, following our April demarche (refs c and d), registering concern over UNDP's slow pace of implementation and urging him to join us in pressing for improved performance. Alaq, who has worked closely with UNDP in past months in the development of the GOI's anti-corruption strategy, responded that UNDP had picked up the pace of implementation and was now performing satisfactorily. He agreed to stay in close touch as UNDP

proceeded to implement the subsequent phases of the project.
(COMMENT: We share Alaq's assessment of UNDP's improved
performance and will continue to monitor its work carefully.
The UNDP implementers are currently preparing for
implementation of the provincial-level capacity-building
segment of the project. END COMMENT.

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